

The Tax - General Article Review Committee notes, for consideration by the General Assembly, that the current law does not provide for an S corporation return. The Comptroller has relied on former Art. 81, § 304(b) to support the long-standing practice of requiring S corporations to file a return, when the annual return for other corporations is due. The former subsection required returns by any "taxpayer liable to any tax imposed by this subtitle". The Tax - General Article Review Committee believes that the exemption of an S corporation from the income tax under § 10-104 of this title excludes an S corporation from the requirements of former Art. 81, § 304(b). On the other hand, Ch. 708, Acts of 1987, seemingly adopted the practice of the Comptroller by amending former Art. 81, § 312(a-2)(3) to provide for returns and payments of withholdings "with the filing of the 'S' corporation return". The Tax - General Article Review Committee urges the General Assembly to clarify the requirements with respect to S corporations.

Defined terms: "Corporation" § 10-101  
"Income tax" § 1-101 "Taxable year" § 10-101

#### 10-822. RETURNS ON WITHHOLDINGS -- IN GENERAL.

##### (A) REQUIRED.

EXCEPT AS PROVIDED IN § 10-823 OF THIS SUBTITLE, A PERSON REQUIRED UNDER § 10-906 OF THIS TITLE TO WITHHOLD INCOME TAX SHALL COMPLETE AND FILE WITH THE COMPTROLLER:

(1) A QUARTERLY INCOME TAX WITHHOLDING RETURN, ON OR BEFORE THE LAST DAY OF THE MONTH THAT FOLLOWS THE CALENDAR QUARTER IN WHICH THAT INCOME TAX WAS WITHHELD; OR

(2) IF THE PERSON REASONABLY EXPECTS THE TOTAL AMOUNT OF INCOME TAX REQUIRED TO BE WITHHELD IN A QUARTERLY PERIOD TO BE \$300 OR MORE, A MONTHLY INCOME TAX WITHHOLDING RETURN:

(I) FOR THE MONTH OF JANUARY, ON OR BEFORE  
FEBRUARY 15;

(II) FOR THE MONTH OF FEBRUARY, ON OR BEFORE  
MARCH 15;

(III) FOR THE MONTH OF MARCH, ON OR BEFORE  
APRIL 30;

(IV) FOR THE MONTH OF APRIL, ON OR BEFORE MAY  
15;

(V) FOR THE MONTH OF MAY, ON OR BEFORE JUNE 15;

(VI) FOR THE MONTH OF JUNE, ON OR BEFORE JULY  
31;